

Article 3: Supplemental Development Regulations

Division 5: SRO Hotel Regulations

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0510 Purpose of SRO Hotel Regulations

The purpose of these regulations is to ensure the retention of the existing number of *SRO hotel rooms* and to provide assistance to tenants of *SRO hotel rooms* that will be displaced by the demolition, conversion, or rehabilitation of existing *SRO hotel rooms*. These regulations are intended to benefit the general public by minimizing the adverse impact on the housing supply and on displaced persons, particularly those who are *very low income*, elderly, or disabled, resulting from the permanent or temporary loss of *SRO hotel rooms* through their demolition, conversion, or rehabilitation.

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0515 When SRO Hotel Regulations Apply

This division applies to any *development* that proposes the demolition or rehabilitation of all or part of an *SRO hotel* or *SRO hotel rooms* or the conversion of all or part of an *SRO hotel* or *SRO hotel rooms* to another use, except as provided in Section 143.0520.

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0520 Exemptions from SRO Hotel Regulations

- (a) The regulations in sections 143.0540 and 143.0550 do not apply to the following demolitions or conversions:
- (1) Conversion of all or part of an *SRO hotel* or *SRO hotel room* to a *very low income* housing project.
 - (2) Demolition of all or part of an *SRO hotel* or *SRO hotel room* to allow for the new construction of a *very low income* housing project on the same site within 2 years pursuant to an agreement with the San Diego Housing Commission.
 - (3) Demolitions or conversions that result in the *development* of a project for housing *low income* senior citizens that is operated by a nonprofit corporation.

- (b) The City Council may exempt demolition or conversion of all or part of an *SRO hotel* or *SRO hotel room* that is necessary to implement a redevelopment project. An exemption under this section shall not be granted by the City Council unless it finds that the proposed project will contribute to the public health, safety, and welfare and that the contribution exceeds the negative impact on the supply of *SRO hotels* and *SRO hotel rooms* that will result from the demolition or conversion. An exemption under this section shall not exempt a redevelopment agency from requirements for replacement and other applicable requirements under California Community Redevelopment Law or other state or federal laws.

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0530 Administration of SRO Hotel Regulations

The San Diego Housing Commission or successor agency, as the agency responsible for administering the *SRO hotel* regulations, shall do the following:

- (a) Review each application for a permit to demolish or convert a hotel to identify any *SRO hotel* or *SRO hotel room* that is not exempt from these regulations under Section 143.0520.
- (b) Advise the *applicant* of the requirements of these regulations.
- (c) Review each replacement plan prepared by an *applicant* and advise the *applicant* as to whether or not the plan satisfies the requirements of these regulations. A replacement plan is a plan to replace *SRO hotel rooms* that is prepared by the *applicant*, approved by the San Diego Housing Commission, and incorporated into a Housing Replacement Agreement.
- (d) For each replacement plan that meets the requirements of these regulations, draft and execute with the *applicant*, a Housing Replacement Agreement that incorporates the terms of the replacement plan. A Housing Replacement Agreement is a written agreement between the San Diego Housing Commission and the *applicant* specifying the manner in which the housing replacement requirements in Section 143.0550 will be met.
- (e) Prepare and implement a system to monitor compliance of the Housing Replacement Agreements with the regulations in this division.
- (f) Manage the City of San Diego Single Room Occupancy Hotel Replacement Fund and cause replacement units to be acquired, constructed, or rehabilitated.

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0540 Demolition or Conversion Permit Requirement for SRO Hotel Rooms

Before a permit to convert or demolish all or part of an *SRO hotel* or *SRO hotel room* is issued, the *applicant* shall execute a Housing Replacement Agreement with the San Diego Housing Commission in accordance with Section 143.0550.

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0550 Housing Replacement Requirement for SRO Hotel Rooms

- (a) Replacement *SRO hotel rooms* shall be provided within the community plan area in which the *SRO hotel rooms* were demolished or converted unless the San Diego Housing Commission approves alternate sites on public transportation corridors outside the community plan area. The replacement rooms shall be completed and ready for occupancy before occupancy of the redeveloped site upon which the former *SRO hotel rooms* were located.
- (b) Replacement *SRO hotel rooms* shall be made available to and occupied by *very low income* households at rents affordable to a *very low income*, single-person household as most recently established by the U.S. Department of Housing and Urban Development or successor agency for the San Diego Standard Metropolitan Statistical Area.
- (c) Occupancy and affordability restrictions shall be recorded for at least 30 years.
- (d) *SRO hotel rooms* shall be provided at a ratio of one replacement room for each existing *SRO hotel room* proposed to be demolished or converted. The replacement rooms shall be provided by one of the following methods:
 - (1) Construction of new *SRO hotel rooms*;
 - (2) Rehabilitation or conversion of hotel rooms that have been continuously vacant for more than one year before the permit application for use as *SRO hotel rooms*. Rehabilitation means reconstruction, renovation, repair, or other improvement to all or part of an *SRO hotel* or an *SRO hotel room*;
 - (3) Conversion of nonresidential *structures* to *SRO hotel rooms*;
 - (4) In lieu of providing *SRO hotel rooms*, an *applicant* may contribute to the Single Room Occupancy Hotel Replacement Fund. The amount of

the contribution shall be equal to 50 percent of the replacement cost of the *SRO hotel rooms* to be demolished or converted. That cost shall be calculated by multiplying one-half of the hotel area demolished or converted, by the current *development* cost per square foot of comparable *SRO hotels* in the City, including land development costs. Monies deposited in the fund shall be used solely for the production or rehabilitation of *SRO hotel rooms* or the conversion of nonresidential *structures* to *SRO hotel rooms*.

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0560 SRO Hotel Relocation Provisions

- (a) An *applicant* for a permit for or related to the demolition, conversion, or rehabilitation of all or part of an *SRO hotel* or *SRO hotel room* shall, concurrent with the filing of the permit application, submit a list of all tenants who resided in the hotel within the 180-calendar-day period preceding the application filing date. The *applicant* shall provide or make available the relocation benefits and notices specified in Sections 143.0570 and 143.0580. The permit to demolish, convert, or rehabilitate shall not be issued until the San Diego Housing Commission verifies full compliance with this Section and Sections 143.0570 and 143.0580.
- (b) The relocation provisions in this division shall not apply to proposed *developments* for which greater relocation benefits and payments are required under state or federal law.

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0570 SRO Hotel Relocation Assistance Benefits

- (a) Each tenant of an *SRO hotel* to be demolished, converted, or rehabilitated who has resided in the *SRO hotel* for at least 90 consecutive calendar days preceding the permit application date shall be considered a long-term tenant for purposes of this division and is entitled to the benefits and rights described in Section 143.0570(b) through (e). Each tenant of an *SRO hotel* to be demolished, converted, or rehabilitated who has resided in the *SRO hotel* for at least 30 consecutive calendar days preceding the permit application date is entitled to the benefits and rights described in Section 143.0570(c) through (e).
- (b) Financial Assistance
 - (1) Except as provided in Section 143.0570(b)(3), each long-term tenant is entitled to one lump sum payment in an amount equal to two times the

tenant's average monthly rent for the preceding 12 months if the *SRO hotel* is being demolished or converted or an amount equal to the tenant's average monthly rent for the preceding 12 months if the *SRO hotel* is being rehabilitated. In addition, each long-term tenant is entitled to a rent rebate of \$10.00 per month for each month's residency in excess of 90 calendar days, not to exceed \$210.00. Length of residency shall be calculated from the date of initial occupancy to the date of application for a building or other permit.

- (2) The financial benefits shall be paid by the *SRO hotel* owner to the long-term tenant within 5 *business days* of written notice by the tenant that he or she will vacate the *premises* on a date specified by him or her, but no more than 30 calendar days in advance of the move-out date. Written notice forms approved by the San Diego Housing Commission shall be provided to the long-term tenants by the owner.
- (3) If the *SRO hotel* is being rehabilitated, the financial assistance benefits required by this section need not be provided if comparable accommodations, as defined by the California Code of Regulations, are provided on or off the *premises* to the long-term tenants during the period of rehabilitation. The owner shall give a right of first refusal to relocate to a rehabilitated unit to each long-term tenant who qualifies as *very low income*. When comparable living space is provided, the *applicant* shall pay each affected long-term tenant all reasonable moving and related expenses.

(c) Technical Assistance

The San Diego Housing Commission shall provide assistance in locating decent, safe, and affordable housing opportunities to tenants who have resided in the *SRO hotel* for at least 30 consecutive calendar days.

(d) Extended Tenancy Period

The owner shall provide at least a 90-calendar-day notice of termination of tenancy. The notice of termination of tenancy may not be given before the date of the notice required by Section 143.0580. To terminate a tenancy for the purpose of demolition, conversion, or rehabilitation of an *SRO hotel* or *SRO hotel room* regulated under the *SRO hotel* regulations, the owner must fully comply with Sections 143.0560, 143.0570, and 143.0580.

(e) Evictions

- (1) Notwithstanding any provision to the contrary, no permit to demolish, convert, or rehabilitate all or part of an *SRO hotel* or *SRO hotel room* shall be issued until 180 calendar days has elapsed since the last eviction or removal of a tenant unless the eviction was for one of the following:
 - (A) Failure to pay rent;
 - (B) Breach of a material covenant, condition, restriction, or provision in the rental agreement;
 - (C) Creating a nuisance; or
 - (D) Using the *SRO hotel room* for an illegal purpose.
- (2) In addition to the tenant list required by Section 143.0560(a), the *applicant* shall submit a list of the names of any tenant who has moved, been removed, or evicted during the preceding 180 calendar days and the reasons for the move, removal, or eviction.
(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0580 SRO Hotel Relocation Assistance Notice

- (a) Before submittal of an application for a permit for or related to the demolition, conversion, or rehabilitation of all or part of an *SRO hotel* or *SRO hotel room*, the owner must deliver a Relocation Assistance Notice to each tenant. The notice shall clearly state the benefits established by Section 143.0570 for all tenants.
- (b) The San Diego Housing Commission shall have available a sample notice format that the owner must use.
- (c) The notice required by this section shall be delivered to each tenant personally or by mail, and written acknowledgment of service on and receipt by the tenant shall be secured.
(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

§143.0590 SRO Hotel Long-Term Tenant Rights

A long-term tenant of an *SRO hotel*, as described in Section 143.0570(a), who is injured by any violation of these regulations, shall be entitled to declaratory relief, injunctive relief, and damages in a civil action. Counsel for the aggrieved party shall notify the Office of the City Attorney of the City of San Diego of any action filed pursuant to this section.

(Added 12-9-1997 by O-18451 N.S.; effective 1-1-2000.)

